

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT <b>Auditor-Controller</b>		(2) MEETING DATE <b>February 28, 2006</b>		(3) CONTACT/PHONE <b>Bill Estrada (805) 781-5040</b>	
(4) SUBJECT <b>Presentation of the County of San Luis Obispo's audited Comprehensive Annual Financial Report and Single Audit Report for June 30, 2005. (Copy on file in Auditor's Office).</b>					
(5) SUMMARY OF REQUEST <b>The County of San Luis Obispo's Comprehensive Annual Financial Report (CAFR) is mandated by Sections 25250 and 25253 of the Government Code of the State of California. These statutes require the County to publish a complete set of financial statements presented in conformity with generally accepted accounting principals (GAAP) and audited in accordance with generally accepted auditing standards. We are also submitting the County's Single Audit Report which was prepared in conjunction with the audit of the County's annual financial statements performed by the independent accounting firm of Bartig, Basler &amp; Ray, CPAs.</b>					
(6) RECOMMENDED ACTION <b>We recommend the Board of Supervisors receive, review and file the County of San Luis Obispo's Comprehensive Annual Financial Report (CAFR) and Single Audit Report for the fiscal year ended June 30, 2005.</b>					
(7) FUNDING SOURCE(S) <b>N/A</b>		(8) CURRENT YEAR COST <b>N/A</b>		(9) ANNUAL COST <b>N/A</b>	
(10) BUDGETED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> N/A <input type="checkbox"/> NO					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): <b>Preparation of this report requires the cooperation and assistance of all County departments. We especially appreciate the contributions made by Public Works, General Services, Treasurer's Office and Pension Trust</b>					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) <b>1st, 2nd, 3rd, 4th, 5th, <u>All</u></b>			(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		
(15) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Board Business (Time Est. <u>10 minutes</u> )			(16) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A		
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A			(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		

(19) ADMINISTRATIVE OFFICE REVIEW
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*Not a Technician*

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(2.28.06)*

**County of San Luis Obispo**  
**Office of the Auditor-Controller**  
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**GERE W. SIBBACH, CPA**  
**Auditor-Controller**  
**BILL ESTRADA**  
Assistant

TO: HONORABLE BOARD OF SUPERVISORS

FROM: GERE W. SIBBACH, AUDITOR-CONTROLLER *by BE*

DATE: FEBRUARY 28, 2006

SUBJECT: PRESENTATION OF THE COUNTY OF SAN LUIS OBISPO'S AUDITED  
COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR  
ENDED JUNE 30, 2005

#### Recommendation

We recommend the Board of Supervisors receive, review and file the County of San Luis Obispo's Comprehensive Annual Financial Report (CAFR) and Single Audit Report for the fiscal year ended June 30, 2005.

#### Discussion

The County of San Luis Obispo's Comprehensive Annual Financial Report (CAFR) is mandated by Sections 25250 and 25253 of the Government Code of the State of California. These statutes require the County to publish a complete set of financial statements presented in conformity with generally accepted accounting principals (GAAP) and audited in accordance with generally accepted auditing standards. We are also submitting the County's Single Audit Report which was prepared in conjunction with the audit of the County's annual financial statements performed by the independent accounting firm of Bartig, Basler & Ray, CPAs.

The primary purpose of the CAFR is to disclose the financial position of San Luis Obispo County as of June 30, 2005, together with the results of its operations for the 2004-2005 fiscal year. The CAFR is organized into four main sections; the introductory section, financial section, required supplementary information and the statistical section.

The introductory section, which begins on page one, includes a letter of transmittal, general information on the government's structure and personnel as well as information useful in assessing the County's financial condition.

The financial section begins on page thirteen with an unqualified opinion from the independent auditors, Bartig, Basler & Ray. This clean bill of health is the auditors' attestation that the statements are presented fairly and in conformity with generally

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accepted accounting principles. Management, Discussion and Analysis (MD&A) follows the opinion report. The MD&A provides users of the basic financial statements with a narrative introduction, overview, and analysis of basic financial statements.

The Basic Financial Statements follow the MD&A and represent the core of the CAFR's financial section. The basic financial statements include *government-wide financial statements, fund financial statements, and notes to the financial statements*. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The fund financial statements contain separate statements for governmental, proprietary and fiduciary fund types and focus on major fund reporting. The notes to the financial statements are presented last and are an integral part of the basic financial statements.

The Required Supplementary Information follows the notes and contains a Budgetary Comparison Schedule for the General Fund and a Schedule of Funding Progress for the County's Defined Benefit Plan.

Following the financial statements is a series of combining statements. These combining statements provide support for each column in the basic financial statements that aggregates data from more than one fund. Detail budgetary schedules for all governmental funds with adopted budgets follows the combining statements.

The statistical section of the CAFR includes charts and graphs which offer a wide range of financial, economic, and demographic comparisons for the current and past ten fiscal years. These statistics provide easily readable economic analysis and insight into the County's financial stability.

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to San Luis Obispo County for the last nineteen consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we have submitted it to the Government Finance Officers Association (GFOA) for a determination.

Also included with the CAFR is the Single Audit Report which presents the results of the audit on federal programs in compliance with the U.S. Office of Management and Budget (OMB) Circular A-133.

### Other Agency Involvement/Impact

Preparation of this report requires the cooperation and assistance of all county departments. We especially appreciate the contribution made by the Public Works, General Services, Treasurer's Office and Pension Trust.

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Financial Consideration

The funding for these audited reports has been previously approved. No additional funding is required. This CAFR will be supplied to bond rating firms and governmental regulatory agencies for their use.

Results

Completion of these reports enable the County to comply with the State and Federal reporting requirements and provide the Board of Supervisors and the public with county wide audited financial information.

Attachments

County of San Luis Obispo Comprehensive Annual Financial Report – June 30, 2005  
County of San Luis Obispo Single Audit – June 30, 2005

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